



222 South Main Street  
Akron, OH 44308  
DIRECT DIAL 330.849.6644  
PHONE 330.376.2700 FAX 330.376.4577  
rkopp@ralaw.com

WWW.RALAW.COM

December 13, 2019

**VIA ELECTRONIC MAIL AND  
FEDERAL EXPRESS DELIVERY**

Peter Nealis, Esq.  
Taft Stettinius & Hollister LLP  
200 Public Square, Suite 3500  
Cleveland, Ohio 44114

**Re: American Security & Audio Video Systems, Inc.**

Dear Mr. Nealis:

As you know, this firm is outside legal counsel to American Security & Audio Video Systems, Inc. ("ASAV"). We are sending this letter to you as counsel for Ronald Baxter, who as you know, owns 50% of the issued and outstanding shares of stock of ASAV. The purpose of this letter is to advise you that ASAV is aware of Mr. Baxter's ongoing breaches of his fiduciary duties to ASAV, as well as his breaches of his ASAV Employment Agreement executed by him on December 14, 2011 (the "Agreement"). For your ease of reference, a copy of the Agreement is enclosed with this letter.

Specifically, ASAV is aware that Mr. Baxter accepted an employment position at Zenith Systems, a direct competitor of ASAV, in violation of his fiduciary obligations and of the Agreement. Further, ASAV is aware that Mr. Baxter has directly or indirectly formed an Ohio limited liability company named "Complete Systems Integration LLC." Andrea Baxter, Mr. Baxter's spouse, is listed as statutory agent for this entity. ASAV has significant concerns that this entity was formed for the purpose of engaging in competitive activities in violation of Mr. Baxter's fiduciary obligations and the Agreement. In fact, the Company believes that Mr. Baxter may have used or is using this entity in connection with obtaining and/or maintaining an installer's license.

As we're sure you know, the Agreement provides, among other things, that Mr. Baxter will not engage in the business of selling, installing, servicing, maintaining or monitoring of security systems and other electronic systems. In addition, the Agreement addresses ASAV's confidential information. While Mr. Baxter was employed at ASAV, he became aware of and possessed proprietary, confidential, and trade secret information that is considered ASAV's intellectual property. Trade secrets can include everything from new product ideas, market

Practical Advice. Real Solutions.  
That's the Roetzel way.

**EXHIBIT**

**J**

December 13, 2019

Page 2

strategies and customer lists, strategic supply partners to financial forecasts, product costs, and pricing.

Pursuant to the Agreement and his fiduciary obligations, Mr. Baxter is required to maintain as confidential this propriety and trade secret information. This includes not disclosing such protected information to his new employer, even if requested to divulge such information in his current position. Any such unauthorized disclosure will cause irreparable damage to ASAV. Even if he does not disclose the information, he is still forbidden from using the information, directly or indirectly, in his new employment. State and federal laws, including but not limited to, Section 1331.61 et. seq. of the Ohio Revised Code and the Economic Espionage Act, govern the protection of company trade secrets. Civil remedies can include injunctions and damages. These remedies are expressly set forth in the Agreement.

Further, the Company has reason to believe that Mr. Baxter is making disparaging communications regarding the Company in violation of his fiduciary duties.

ASAV expects that Mr. Baxter will fully comply with his fiduciary duties and his obligations under the Agreement by immediately terminating his employment with Zenith Systems, refraining from disclosing, using, and/or otherwise divulging any trade secret or other propriety information belonging to ASAV, and refraining from making any disparaging communications relating to the Company. ASAV further expects that he will refrain from obtaining alternative employment which may further violate his fiduciary obligations and his Agreement. ASAV and its counsel will continue to monitor this situation and will take whatever actions appropriate to enforce the Agreement and/or seek remedies for his breaches of fiduciary duties, including without limitation, initiating litigation for enforcement of the Agreement, injunctive relief, and monetary relief. We would certainly desire to avoid the expense and inconvenience to Mr. Baxter of any such litigation.

Finally, as previously indicated, ASAV hereby requests that Mr. Baxter promptly return all Company property, including without limitation, that certain 2016 Ford Transit Van which is currently in his possession.

Accordingly, we request that you respond by December 19, 2019, in writing, affirmatively demonstrating that Mr. Baxter has terminated his employment with Zenith Systems and confirming that he does not intend to utilize "Complete Systems Integration LLC" or any other entity to violate his fiduciary duties to ASAV or his obligations under the Agreement. We also require written assurances that Mr. Baxter has not disclosed, used, and/or otherwise divulged any trade secret or other proprietary information, and will refrain from making disparaging communications regarding the Company. Finally, we seek written agreement from Mr. Baxter that he will promptly return the van and all other Company property, and abide by his obligations under the Agreement during the restricted period by refraining from obtaining alternative employment, which may further violate the Agreement. And again, irrespective of the Agreement, we expect Mr. Baxter to abide by all of the fiduciary obligations he has as a shareholder of ASAV.

December 13, 2019  
Page 3

We look forward to receiving your written response by December 19<sup>th</sup>.

Very truly yours,

ROETZEL & ANDRESS, LPA



Ronald S. Kopp

Enclosure

cc: Reid Yoder, Esq. (via email transmission)  
DiCaudo, Pitchford & Yoder

Ms. Andrea Baxter (via Regular U.S. Mail)  
Statutory Agent for Complete Systems Integration LLC  
2862 Ira Rd  
Akron, Ohio 44333

Mr. Frank Baxter (via email transmission)  
American Security & Audio Video Systems, Inc.

Terrence H. Link II, Esq.  
Roetzel & Andress

14494439\_2